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MEMORANDUM

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TO: Docket Control

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Matthew Rowell *MR*  
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AZ CORP COMMISSION  
DOCUMENT CONTROL

2004 SEP 29 A 8:38

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DATE: September 29, 2004

RE: IN THE MATTER OF THE APPLICATION OF METROPOLITAN FIBER  
SYSTEMS OF ARIZONA, INC. TO DISCONTINUE PRIVATE LINE  
TELECOMMUNICATIONS SERVICES (DOCKET NO. T-03006A-04-0388)

Attached is the Staff Report concerning the application of Metropolitan Fiber Systems of Arizona, Inc. for cancellation of its Certificate of Convenience and Necessity ("CC&N"). Staff recommends approval of the request to cancel the CC&N.

Originator: Adam Lebrecht

Attachment: Original and Sixteen Copies

Arizona Corporation Commission

DOCKETED

SEP 29 2004

DOCKETED BY	<i>AK</i>
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SERVICE LIST FOR: METROPOLITAN FIBER SYSTEMS OF ARIZONA, INC.

DOCKET NO. T-03006A-04-0388

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STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

METROPOLITAN FIBER SYSTEMS OF ARIZONA, INC.  
DOCKET NO. T-03006A-04-0388

IN THE MATTER OF THE APPLICATION OF METROPOLITAN FIBER SYSTEMS OF  
ARIZONA, INC. TO DISCONTINUE PRIVATE LINE TELECOMMUNICATIONS  
SERVICES

## STAFF ACKNOWLEDGEMENT

The Staff Report for Metropolitan Fiber Systems of Arizona, Inc., Docket No T-03006A-04-0388, was the responsibility of the staff member listed below. Adam Lebrecht was responsible for the review and analysis of the Company's application to cancel its Certificate of Convenience and Necessity.

A handwritten signature in dark ink, appearing to be 'AL', is written over a horizontal line.

ADAM LEBRECHT  
Executive Consultant I

## **Background**

On August 22, 1996, the Arizona Corporation Commission ("Commission"), in Decision No. 59812, originally granted a Certificate of Convenience and Necessity ("CC&N") to Metropolitan Fiber Systems of Arizona, Inc. ("MFS") to provide competitive intrastate telecommunications service in Arizona as a private line telecommunications service provider.

On December 9, 2003, in Decision No. 66595, the Commission approved WorldCom, Inc.'s reorganization plan whereby MFS would be merged into MCImetro Access Transmission Services, LLC. In this Decision, WorldCom, Inc. was ordered to submit an application to cancel MFS' CC&N within 90 days of the consummation of its reorganization. WorldCom, Inc. was also ordered to re-file the tariffs of MFS with the revised company name within 90 days of the consummation of its reorganization.

MFS requests Commission approval to discontinue its authority to provide private line telecommunications services, abandon its CC&N and revoke its tariff in Arizona.

## **Staff Analysis**

MFS filed its application to cancel its CC&N on May 24, 2004.

On May 10, 2004, MFS merged into MCImetro Access Transmission Services, LLC and no longer exists as a separate corporation. Also on May 10, 2004, MCImetro Access Transmission Services, LLC filed Advice Letter No. 04-01 formally renaming Metropolitan Fiber Systems of Arizona, Inc.'s "Arizona Tariff No. 1" as "MCImetro Access Transmission Services, LLC, Tariff No. 5" and grandfathered all services provided. Therefore, former customers of MFS will not see any changes in their billing other than the company issuing the bill.

MFS has advised Staff that it no longer serves any customers in Arizona and that as of May 10, 2004 all its customers were transferred to MCImetro Access Transmission Services, LLC. Because MFS currently has no customers, Staff believes MFS' requested waiver of R14-2-1107 of the Arizona Administrative Code should be granted.

Consumer Services Staff has indicated that there are no open complaints, inquiries or opinions concerning MFS. MFS has informed Staff that all customer deposits and/or prepayments will be held by MCImetro Access Transmission Services, LLC pursuant to tariff provisions. Consequently, there is no risk that an advance, deposit and/or prepayment of funds from Arizona customers would be lost by canceling MFS' CC&N.

Since there are numerous other carriers offering similar services, Staff believes granting this application for cancellation of MFS' CC&N is in the public interest.

Upon cancellation of its CC&N, MFS will no longer be authorized to provide competitive intrastate telecommunications service as a private line service provider in Arizona and therefore, will no longer be subject to the requirements of Decision No. 59812.

### **Recommendations**

Staff recommends approval of MFS' request to cancel its CC&N.